

**EXIN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

TARONIS FUELS, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 22-11121 (BLS)

(Jointly Administered)

**DECLARATION OF R. JERED RUYLE IN SUPPORT OF THE
DEBTORS' EMERGENCY MOTION PURSUANT TO SECTIONS 105(a), 362 AND 365
OF THE BANKRUPTCY CODE TO (I) COMPEL PERFORMANCE OF LBJ'S
OBLIGATIONS UNDER AN EXECUTORY CONTRACT, (II) TO ENFORCE THE
AUTOMATIC STAY, AND (III) ENFORCE THE CA SALE ORDER**

I, R. Jered Ruyle, declare under penalty of perjury:

1. I am the Chief Executive Officer ("CEO") and President of Taronis Fuels, Inc., a corporation organized under the laws of Delaware (the "Lead Debtor" or the "Company", and along with its affiliated debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"). I served as an Executive Vice President of the Lead Debtor since January 2020, and served as a sales representative of the Company prior to that. From November 30, 2021, to March 8, 2022, I served as interim Chief Executive Officer and President, at which point the Board of Directors (the "Board") appointed me as Chief Executive Officer, President, and director of the Lead Debtor.

2. In my capacity as Chief Executive Officer and President of the Company, and as a result of my discussions with the Debtors' employees, consultants, professionals and Board, I have

¹ The Debtors in these chapter 11 cases, along with the last four digits (if any) of each Debtor's federal tax identification number include: Taronis Fuels, Inc. (7454), MagneGas Welding Supply – West, LLC (6662), Taronis Sub III LLC (5826), MagneGas Welding Supply – South, LLC (8686), MagneGas Real Estate Holdings, LLC (7412), MagneGas IP, LLC (0988), MagneGas Production, LLC (7727), Taronis Sub I LLC (4205), Taronis-TAS, LLC (2356), Taronis-TAH, LLC (3542), and Taronis Sub II LLC (9673). The location of the Debtors' service address in these chapter 11 cases is 24980 N. 83rd Avenue, Suite 100, Peoria, Arizona 85383.

become generally familiar with the Debtors' day-to-day operations, business and financial affairs, and books and records.

3. Except as otherwise indicated herein, all statements set forth in this declaration (the "Declaration") are based on: (i) my personal knowledge of and familiarity with the Debtors' operations, finances, and restructuring efforts; (ii) my review of relevant documents and information provided to me by employees of or advisors to the Debtors or professionals retained by Debtors; (iii) my opinion based on my experience and knowledge of the Debtors' operations and financial and business affairs, including my general knowledge of the industry in which the Debtors operate; (iv) information supplied to me by and consultation with other members of Debtors' management, and the Debtors' professional advisors; and/or (v) my opinion based on my experience, knowledge, and information concerning the Debtors' operations and financial condition. I have obtained this information in the course of my tenure working with the Debtors and their professionals, including Debtors' outside corporate and restructuring counsel. In making this Declaration, I also have relied on information and materials that the Debtors' personnel and advisors have gathered, prepared, verified and provided to me, in each case under my ultimate supervision, at my direction and/or for my benefit in preparing this Declaration.

4. I am authorized to submit this Declaration on behalf of the Debtors in support of the *Debtors' Emergency Motion Pursuant to Sections 105(A), 362 and 365 of the Bankruptcy Code to (I) Compel Performance of LBJ's Obligations Under an Executory Contract, (II) to Enforce the Automatic Stay, and (III) Enforce the CA Sale Order* (the "Motion")² filed contemporaneously herewith.

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Motion.

5. I am over the age of 18. If called upon to testify, I would testify competently to the facts set forth herein.

6. As CEO of the Debtors, I was actively involved in the negotiations surrounding the CA APA and the Woodland PA. The closing on the Woodland PA has been delayed until January 31, 2023 due to the expected issues with LBJ, including their lack of cooperation with their obligations under the Woodland PA.

7. When Airgas attempted to enter the Woodland Property on December 14, 2022, Joseph Knierem, on behalf of LBJ, handed Airgas a letter stating LBJ would not give Airgas the keys or alarm code to the Woodland Property until Airgas produced a signed agreement providing a payout to Robert Baker and Joseph Knierem. Joseph Knierem was still an employee of Debtors at the time of the submission of the letter.

8. Additionally, I have been in contact with Mr. Knierem and Mr. Baker. This included providing Mr. Knierem and Mr. Baker with a draft of the Motion on December 21, 2022. Based on these discussions, I do not believe that Mr. Knierem and Mr. Baker are willing to voluntarily comply with the LBJ Agreement or the Sale Order.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true correct.

Dated: December 22, 2022
Wilmington, Delaware

By: /s/ Jered Ruyle
Name: R. Jered Ruyle
Title: Chief Executive Officer